

**REVENUE: No revenue impact**

**FISCAL: No fiscal impact**

---

**Action:** Do Pass  
**Vote:** 6 - 0 - 1  
**Yeas:** Berger, Edwards C., Esquivel, Holvey, Rosenbaum, Schaufler  
**Nays:** 0  
**Exc.:** Smith P.  
**Prepared By:** Theresa Van Winkle, Administrator  
**Meeting Dates:** 1/26, 3/5

---

**WHAT THE MEASURE DOES:** Allows the Department of Consumer and Business Services to approve imposing a surcharge on a workers' compensation rating plan for an assigned risk pool.

**ISSUES DISCUSSED:**

- Background of developing the measure
- When a possible surcharge could be imposed
- Number of companies that participate in the assigned risk pool
- Whether participating companies provided input in regards to the measure

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** Oregon employers with subject employees are required by law to carry workers' compensation insurance. Some employers are unable to obtain coverage in the regular insurance market, but can do so through the assigned risk plan that is overseen by the Department of Consumer and Business Services (DCBS). All workers' compensation insurers are required to pay their proportionate share of assigned risk plan costs that exceed premiums collected from employers in the plan, and can pass on the additional cost to covered employers via the rulemaking process. On the other hand, DCBS cannot impose a surcharge directly to assigned risk plan participants.

HB 2250 allows DCBS the option to charge assigned risk plan employers a surcharge to offset losses if other pricing mechanisms do not address plan shortfalls.